

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

SUNDERLAND MARINE INSURANCE
COMPANY LTD., INTERNATIONAL
GENERAL INSURANCE COMPANY (UK)
Ltd., RSA INSURANCE GROUP PLC,
HARDY (UNDERWRITING AGENCIES)
LIMITED, SKULD 1897, AND PROSIGHT
SPECIALTY INSURANCE,

Plaintiffs,

v.

VASCO ENTERPRISES, INCORPORATED,

Defendant.

IN ADMIRALTY

Case No.

COMPLAINT

COMES NOW the Plaintiffs Sunderland Marine Insurance Company Ltd.,
International General Insurance Company (UK) Ltd., RSA Insurance Group plc, Hardy
(Underwriting Agencies) Limited, Skuld 1897, and ProSight Specialty Insurance, and
allege as follows:

I. Jurisdiction and Venue

1.1 This is an admiralty complaint for a declaratory judgment involving a policy of
marine insurance within the meaning of Rule 9(h) of the Federal Rules of Civil
Procedure and is within the jurisdiction of this Court pursuant to 28 U.S.C. §
1333.

1. 1.2 Venue is proper in this Court under 28 U.S.C. § 1391(b)(2) because the policy of
2. marine insurance at issue provides that “each party agrees to submit to the
3. exclusive jurisdiction of any competent court within USA.”¹
4.

5. **II. Parties**

6. 2.1 Sunderland Marine Mutual Insurance Company (“Sunderland”) is now, and at all
7. times mentioned herein has been, duly organized and existing under the laws and
8. by virtue of the laws of the United Kingdom.

9. 2.2 International General Insurance Company (UK) Ltd. is now, and at all times
10. mentioned herein has been, duly organized and existing under the laws and by
11. virtue of the laws of the United Kingdom.

12. 2.3 RSA Insurance Group plc is now, and at all times mentioned herein has been,
13. duly organized and existing under the laws and by virtue of the laws of the United
14. Kingdom.

15. 2.4 Hardy (Underwriting Agencies) Limited is now, and at all times mentioned herein
16. has been, duly organized and existing under the laws and by virtue of the laws of
17. the United Kingdom.

18. 2.5 Skuld 1897 is now, and at all times mentioned herein has been, duly organized
19. and existing under the laws and by virtue of the laws of the United Kingdom.

20. 2.6 ProSight Specialty Insurance is now, and at all times mentioned herein has been,
21. duly organized and existing under the laws and by virtue of the laws of the State
22. of New Jersey.
23.

24. ¹ Salvus Bain Management (USA) LLC, a wholly owned subsidiary of Sunderland, provides underwriting
25. and claims support for Sunderland and is located in Seattle, Washington.

2.7 Plaintiffs are informed and believe, and thereon allege, that Vasco Enterprises, Incorporated (“Vasco”) is a California corporation.

III. Facts

3.1 The insurers issued a policy of marine insurance, No. JP536412C (the “Policy”), providing Hull & Machinery liability coverage to the assured Vasco for the vessel CAROL LINDA for a twelve-month period commencing on February 1, 2012.

3.2 On or about May 9, 2012, the CAROL LINDA was operating in the South Pacific and, on information and belief, the main mast of the CAROL LINDA collapsed while the crew was attempting to bring aboard a large haul of tuna.

3.3 Ship Repair NZ Ltd. (“Ship Repair”) was appointed by Vasco to carry out repairs to the damaged mast. Ship Repair’s original estimated cost of repairs amounted to approximately US\$4,600,000.

3.4 Ship Repair completed repairs to the CAROL LINDA mast on or around February of 2013.

3.5 On information and belief, the scope of work completed by Ship Repair exceeded casualty repairs because the size and load-bearing capacity of the mast were significantly increased and, even though the mast failed several feet above deck level, the repairs extended down through the wet deck level and included structural improvements.

3.6 Vasco submitted a claim against the Policy in the approximate amount of US\$6,700,000.

3.7 Plaintiffs have paid a significant portion of the claimed amount, but Plaintiffs believe that the Policy does not provide coverage for the full amount of the claim submitted by Vasco.

IV. Claim for Relief

4.1 Plaintiffs allege they have no obligation under the Policy to the assured for any liability beyond amounts for casualty repairs.

4.2 Based on the foregoing, Plaintiffs allege that an actual controversy has arisen and now exists between Plaintiffs, on the one hand, and Vasco, on the other hand, concerning whether the Policy provides coverage for the full extent of work completed by Ship Repair on the CAROL LINDA.

4.3 Plaintiffs therefore seek a declaration that the Policy does not provide coverage exceeding the amount already paid for damages arising out of the repairs to the failed mast of the CAROL LINDA, and accordingly that Plaintiffs have no obligation to pay any additional sums under the Policy. A prompt and speedy declaration of rights and duties of all parties is necessary and appropriate at this time in view of the controversy as described above.

V. Prayer for Relief

1. That the Court declare that the Policy does not provide coverage exceeding the amount already paid for damages arising out of the repairs to the failed mast of the CAROL LINDA;
2. For costs of suit and attorneys' fees incurred herein; and
3. For such other and further relief as the Court may deem just and proper.

1. DATED this 13th day of February, 2015.

2. HOLMES WEDDLE & BARCOTT, P.C.

3. /s/Michael A. Barcott

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